

the houses erected upon it, where the title is unquestionable; and in cases of setting a value upon a life interest in land in proportion to the estate in remainder or reversion in the same land under the same title, no contingencies, affecting its value, need be considered other than those of the expectation of the life. But, in making an estimate of the value of other kinds of life interests, there are other circumstances to be attended to besides the uncertainty of the life during which they were to be held; the frailties of the securities by which they are to be sustained during that time must also be considered. For instance, what an annuity is worth depends, in a great degree, upon the security given for its regular payment; and in examining that security it will be proper, not only to consider the pecuniary circumstances of the grantor; but his expectation of life, the hazardous nature of the business in which he may be engaged; (*m*) and also his prudence; for, although he may, at the time, be in circumstances altogether unexceptionable; yet his death, his misfortunes, or his indiscretion in the management of his affairs may, in a short time, greatly impair, or totally destroy the security for the payment of the annuity. In these respects therefore, an annuity granted by a legally incorporated company must, in general, be considered as of much greater value than one of the same amount depending upon personal security alone; because there is a steadiness in the transactions of such bodies politic which, being the foundation of their credit, gives a value to their security greater than that of an individual. (*n*)

In addition to all these various circumstances relative to the expectation of life, and the securities by which a life interest is to be continued and sustained, it will be necessary moreover to ascertain the annual product of the life interest in order to make a proper estimate of its present value; for, apart from those things having an imaginary value, such as jewels and the like, the true criterion of the value of all property is the actual profit it may be made to produce; and hence, it has always been considered most correct to estimate the value of lands, annuities, &c. at so many years purchase; or, in other words, that the whole estate may be estimated as equivalent to so many years of its income paid at the time of the purchase. (*o*) There is almost every where a material

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(*m*) Ringgold's Case, 1 Bland, 26.—(*n*) Gibson v. Jeyes, 6 Ves. 274, 279; *Ex parte* Thistlewood, 19 Ves. 236.—(*o*) Freemoult v. Dedire, 1 P. Will. 429; Flud v. Flud, 2 Freem. 210; Badger v. Badger, Mosely, 117; Barnardiston v. Lingood, 2